

**ECONOMIC DEVELOPMENT & ENERGY COMMITTEE
of the
Suffolk County Legislature**

Minutes

A regular meeting of the Economic Development & Energy Committee of the Suffolk County Legislature was held in Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, Veterans Memorial Highway, Smithtown, New York, on **February 5, 2003.**

Members Present:

Legislator Jonathan Cooper - Chairman
Legislator Angie Carpenter - Vice-Chair
Legislator Brian Foley
Legislator Lynn Nowick
Legislator Allan Binder

Also In Attendance:

Paul Sabatino - Counsel to the Legislature
Barbara LoMoriello - Aide to Legislator Cooper
Roger Podd - Aide to Presiding Officer Postal
Joe Muncy - Budget Analyst/Budget Review Office
Joe Schroeder - Budget Review Office
Nicole DeAngelo - County Executive's Office/IR
Judith McEvoy - Commissioner/SC Department of Economic Development
Carolyn Fahey - IR/SC Department of Economic Development
Lori Taggart - County Executive Assistant
Stephanie Gatteri - County Attorney's Office
Richard Kruse - Nominee/Suffolk County Industrial Development Agency
Lauren VanKirk - Suffolk County Industrial Development Agency
Chris Cooke - Former Director/Office of Cultural Affairs
Vinny Frigeria - KeySpan
All Other Interested Parties

MINUTES TAKEN BY:

Alison Mahoney - Court Stenographer

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(*The meeting was called to order at 12:14 P.M.*)

CHAIRMAN COOPER:

I would like to welcome everyone to the February 5th meeting of the Economic Development & Energy Committee. Legislator Nowick, if you would lead us in the Pledge of Allegiance, please.

Salutation

Thank you. We have a couple of people that have filled out speaker cards. First, I would like to invite up Christopher cooke. Good

afternoon, Chris.

MR. COOKE:

Good afternoon, Jon. Two weeks ago we had some discussions about the Office of Cultural Affairs. I know a couple of members couldn't be present, members of the committee. I wanted to simply read the article that appeared in Newsday to refresh members about what was going on a couple of weeks ago.

This appeared in Newsday January 27th, 2003, written by Peter Goodman. The headline is "Suffolk Arts Groups Fear Losing Aid."

Suffolk County Arts Groups, shaken by the recent firing of the County's Cultural Affairs Director, are worried that local financial support will be cut or dropped entirely and that the Office of Cultural Affairs will be eliminated. "Even the question that the office might go away at this time is unfortunate. That's why everyone is scared," said Diana Cherry-Holmes, Executive Director of the Huntington Arts Council.

She and several other high-ranking County arts officials expect to meet this morning in a previously planned, private meeting with Economic Development Commissioner Judith McEvoy. The Cultural Office is in her jurisdiction. Today's meeting comes after two weeks of anxiety following the firing January 15th of Christopher Cooke, Cultural Affairs Director for 12 years and for 20 years Director of the County's Motion Picture and Television Bureau.

McEvoy, who could not be reached for a comment, has told Legislators and Arts workers that Cooke's termination has nothing to do with the future of the Cultural Office or County Arts funding, according to several people who have spoken with her. Quote, "The bottom line is Chris' termination was not going to affect arts funding one iota," said Legislator Jon Cooper, Chairman of the Economic Development Committee and a member of the Parks & Culture Committee. "She said that she understood the importance of the arts to economic development and to a vibrant business community."

Cooper said, "Cooke was fired because he had not acquired a valid driver's license by January 15th as stipulated by an agreement he signed with the County last year. His license had been suspended after a DWI conviction in 1998 and he is still on probation." Cooke said he was told he was being fired because of the license but said he didn't believe that was the full reason. He said McEvoy could have asked for an extension. There's a little note here in this article which is

erroneous but I'm going to read it. It says, "A source within the Legislature said, however, that the commission had bent over backwards

to give him additional time and decided not to do so any longer." This is simply erroneous information, there is no commission and nobody bent over backwards to give me additional time. But Cooke said the underlying issue was his suspicion that the County intended to slash arts funding, not appoint a new Culture chief and disburse its tasks among other employees.

Cherry-Holmes had sent a memo last fall to Arts Council Members without Cooke's approval or knowledge alerting them to upcoming budget hearings and quoting him about a preliminary budget that had no money for the arts. Mentioning Cooke "was a mistake", she said. McEvoy saw the note around the time she took office, Cooke said, and shortly afterward forbade him to attend the budget hearing October 28th, a function that is part of his job. "I believe my termination was a result of a hidden agenda to downsize the importance of cultural affairs in the County government."

So that kind of brings us back to where we were two weeks ago, and at this point I just want to address a couple of issues. If there are any questions that I can answer for you, I'm here to do that also, but I just want to bring up a couple of points.

At the last meeting of this committee, on January 27th you heard numerous members of the arts community and members of the Citizens Advisory Board on the Arts share their concern for the Office of Cultural Affairs and support for my continuation as the Director of that office. In addition, prior and subsequent to my termination, hundreds of letters of support, faxes, e-mails and phone calls had been received by County Executive Gaffney, Deputy County Executive Gatta, Commissioner of Economic Development McEvoy, members of this committee and the Parks Committee. For me, it has been a wonderful validation for the work I have performed on behalf of the County for the past 12 years. And for you, the members of this committee, I hope it has drawn attention to the importance of the arts community in Suffolk County, both as an economic stimulus but more importantly as the backbone of Suffolk's unique quality of life.

Also, I think that my untimely dismissal has shed some light on the dysfunctional relationship between the Office of Cultural Affairs and the Department of Economic Development with Judith McEvoy as Commissioner. At the present time, there is no Program Director of Cultural Affairs. I heard at this meeting, at this committee two weeks ago that it was the intention of Commissioner McEvoy to fill the position as soon as possible; it is a Civil Service position with all Civil Service procedures must be satisfied which will take months.

Aside from the time element, I wish to draw the committee's attention to the resolution and Local Law that created the Office of Cultural Affairs in 1978; this is Local Law No. 8 and it states that the responsibilities of the Citizens Advisory Board on the Arts include

the selection of candidates for the position of Program Director, subject to final approval by the Legislative Committee. If, then, this law is dutifully executed, it is the Citizens Advisory Board, in

conjunction with this committee, that will select the next Program Director and not the Commissioner of Economic Development.

The criteria for the job of Program Director include business and arts administration experience, knowledge of the non-profit sector and of the County itself and the capability of developing and implementing a full-service arts program. None of the current employees in the Department of Economic Development; in fact, it will be very difficult to find someone who fits these criteria from the current Civil Service list. When Commissioner McEvoy was asked to present such a list by Legislator Jon Cooper, she was unable to provide one.

Further examination of Local Law No. 8 shows that the Citizens Advisory Board as established in Local 8 shall be selected via personal invitation of Legislators, recommendations of Suffolk County Arts Councils or personal response to public notice made by through the media, and they will have the following functions; and on page three, which you have, page three of Local Law No. 8, it enumerates the eleven duties.

The most important function of the Citizens Advisory Board, aside from the selection of a Program Director for the Office of Cultural Affairs, is the review of funding applications from over 100 arts organizations based in Suffolk County. This review has taken place during my tenure as Director during the months of January or February in an effort to present the recommendations to the appropriate committees for their review and then the creation and passing of a funding resolution as quickly as possible since the majority of the programs funded to take place in spring and summer. This meeting has never been, nor is there precedent as per Local Law 8 or any other law, presided by -- presided over by anyone but the Program Director. It is not under the parameter of the duties of the Commissioner of Economic Development or any other Commissioner.

Commissioner McEvoy recently informed the Citizens Advisory Board that she will chair this meeting at a date to be determined. The members of the Citizens Advisory Board find this unusual and contrary to the way they conduct their business as laid out in Local Law No. 8; it plainly usurps the responsibilities with which they have been entrusted.

Moreover, Commissioner McEvoy did not consult with any members of the Citizens Advisory Board or members of this committee regarding my possible termination, which is hardly a simple personnel matter as discussed in Executive Session by this committee on January 27th; this

is an oversight which can only be taken as an insult and bad management.

At the next meeting of this committee you will hear from members of the Citizens Advisory Board in regard to these and other issues. My discussions with the board have shown that the members feel now more than ever, and in my light of my arbitrary and capricious termination, that it is time for the Office of Cultural Affairs to be taken seriously as an independent entity, not as a poor stepchild of a larger department. In the coming weeks, the Citizens Advisory Board and members of the arts community will call for the creation and passage of a resolution making the Office of Cultural Affairs an

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autonomous and self-governing entity responsible to the Legislative committee as stated in Local Law No. 8. When this resolution is proposed, it is my hope that the members of this committee will give it serious attention. The health of the arts in Suffolk County is dependent upon it. And that concludes what I have to say. If you have any questions for me, I am here.

CHAIRMAN COOPER:

Chris, thank you very much. I appreciate you coming down.

MR. COOKE:

Thank you.

LEG. FOLEY:

Madam -- Mr. Chairman?

CHAIRMAN COOPER:

Legislator Foley.

LEG. FOLEY:

Mr. Cooke, if you could come back to the podium for a moment.

Mr. Chairman, Counsel isn't here, but how much we can discuss in open session --

MS. LOMORIELLO:

He is here. Jon; tell him.

LEG. FOLEY:

Okay, we will wait for later in the committee meeting to have you come back to the podium, Chris. Okay?

MR. COOKE:

Okay, thank you.

LEG. FOLEY:

Thank you. It's my understanding that we have a County Attorney who is here at the committee meeting to discuss this?

CHAIRMAN COOPER:

Yes.

LEG. FOLEY:

Okay. I will await any other questions for Mr. Cooke following the presentation or discussion by the County Attorney and Ms. McEvoy.
Thank you

CHAIRMAN COOPER:

Okay, thank you. Next speaker is Lori Ann Taggart.

MS. TAGGART:

Good afternoon. My name is Lori Taggart, I'm with the County Executive's office and also Chairperson of the Suffolk County Empire Zone at Calverton. I'm here today to request the committee's support of IR 1081 which authorizes the Empire Zone and IR 1082 which requests that the New York State Commissioner of Economic Development consider

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changes to the Empire Zone designation at Calverton which would designate unused zone benefits to parcels in Wyandanch and Riverside.

IR 1081 which authorizes the Empire Zone seeks to ratify the existing 1,248 acres of Empire Zone at Calverton which was approved by the Suffolk County Legislature by Resolution 803-1997. According to Robert Ryan who is Legal Counsel of the Empire State Development Corporation which administers the zone, "The zone is not in full compliance with the legal requirements of the Zone Act because the applicant municipality, Suffolk County, passed a resolution rather than a Local Law."

In addition, Mr. Ryan states that pursuant to the law, Suffolk County must establish the Zone Administration Board via a Local Law. This board is comprised of constituencies which are outlined in and in conformance with the original Empire Zone application. This Local Law is intended to address the concerns of Empire State Development's Counsel and to bring the Suffolk County Empire Zone at Calverton into full compliance of the program in order to regain the ability for certifying businesses as zone eligible and to receive State administrative funding for the zone.

The other Local Law, IR 1082, seeks approval to amend the existing Empire Zone by designating the unused 32 acres into two of the most distressed areas within Suffolk County according to 2000 Census information. These 32 acres represent the difference between the maximum allowable by law which is 1,280 acres and the 1,248 acres that

are currently designated at Calverton. Twenty-five acres of the 32 would be designated in the Wyandanch area for attracting business investment along Straightpath and Long Island Avenue. Seven acres would be designated in Riverside which is in the Town of Southampton to encompass the building footprint of a hotel and conference center slated for the area directly across the Peconic River from downtown Riverhead. The Riverside site is located within the Riverhead Central School District providing a much needed commercial tax base not only for Southampton residents in that area but Riverhead school taxpayers as well.

It is our desire to amend the boundaries of the existing Empire Zone at Calverton in keeping with our goals to maximize zone benefits to their fullest extent. By shifting unused zone benefits to these areas of the County which are slated for redevelopment and which promise job creation and increased tax base for area residents, we believe that we can provide important economic development benefits to the Town of Babylon, the Town of Southampton and Suffolk County as a whole as measured by job creation and property tax generation. Utilizing unused zone acreage in these particular areas of the County which are most distressed in struggling to attract business development allows us to work cooperatively with the towns in focusing business investment to already disturbed areas as opposed to undeveloped tracts of green open space. The Towns of Babylon and Southampton have made substantial investments of time and resources towards planning for the revitalization of the Wyandanch and Riverside areas and have committed to sharing in the funding of the administration of the Empire Zone. IR 1082 provides an economic development tool for community revitalization intended to not only enhance the quality of life for

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these communities, but to enhance job creation for Suffolk County as a whole. Representatives of Babylon are here today, I expect representatives from the Town of Southampton any moment, they must be running late. So if you have any questions as we move forward.

CHAIRMAN COOPER:

Thank you, Lori. Legislator Foley has a question.

LEG. FOLEY:

Thank you, Lori, for reading the statement, change in circumstances as it's outlined here in the backup. One concern I have with these economic development zones, there's one in the Bellport area in Brookhaven Township and one of the crucial thresholds is to not only show an intent to hire people from the distressed area but also have an actual outcome where local folks are being employed by those companies that are enjoying the benefits of this particular zone.

MS. TAGGART:

Right.

LEG. FOLEY:

They have had difficulties meeting that particular threshold in that particular zone, and I know that's been an issue in some others as well. So my question is how can we make sure, for instance, on the Southampton parcel, I believe it's a hotel that --

MS. TAGGART:

A hotel conference center.

LEG. FOLEY:

So it's a twofold question, one is what is part and parcel of the agreement that would ensure that, in fact, people are employed from that particular area, not 30 miles away, number one.

MS. TAGGART:

Uh-huh.

LEG. FOLEY:

And number two, the environmental concerns have been raised by a number of people. Does this zone exempt any commercial application from any of the environmental laws, or do they still have to scrupulously adhere to any and all local, State and Federal Environmental Title Wetland or any associated or County Health Department regulations.

MS. TAGGART:

All of those regulations will need to be met. The zone designation has no bearing on those environmental requirements at all, they'll be subject to DEC for the wetlands along the river, all of those will need to be met. I know what the developer has been in constant communication not only with the DEC but with the Town of Southampton in terms of their planned development district for that area which includes marina and hotel and that type of thing, and I know that the developer has also been discussing with the Suffolk County Department of Health the issue of sewerage and that type of -- you know, the waste water management. So this does not -- they will have to follow

every single regulation that they normally would regardless of where the project was.

The other question in terms of employment and employing the people in the area in which the zone is located --

LEG. FOLEY:

The immediate adjacent area --

MS. TAGGART:

Right.

LEG. FOLEY:

Go ahead.

MS. TAGGART:

That's one -- actually, that's one of the most positive things about zone designation in that it's not just in a financial incentive program, it includes things like job training, making arrangements for child care so that when you get the zone up and running and you start having businesses with employees, but the Zone Administration Board is in charge of putting these programs in place, the training, child care, public transportation, all of those things, it becomes a complete package in terms of what the program is there to do.

LEG. FOLEY:

Now, who's on the Zoning Administration Board?

MS. TAGGART:

Um, well --

LEG. FOLEY:

And is that who oversees the follow-up?

MS. TAGGART:

The Zone Administration Board oversees the zone. The zone currently has a Zone Coordinator who is a full-time position that deals with marketing and certifying businesses, those types of things. The Zone Administration Board which is something that's being recreated in IR 1081 includes members of the financial community, members of the educational community, the business community, local zone residents, I believe there are eleven outlined constituencies that will be represented on the Board.

LEG. FOLEY:

And every Empire State Zone requires that particular board?

MS. TAGGART:

Yes. Yes.

LEG. FOLEY:

Okay. And do they meet on a regular basis or on a monthly basis, an as-needed basis?

MS. TAGGART:

At least quarterly depending on what's going on. We have to always -- there's a lot of reporting requirements with New York State that the

Board has got to approve before it's submitted, if we're dealing with marketing issues and marketing -- you know, planning our marketing, that's something that takes quite a few meetings.

LEG. FOLEY:

Who's going to make sure that, in fact, in return for the financial and tax break enhancements associated with the zone, who's going to make sure that the other thresholds or requirements are met; namely that local people are going to be employed, gainfully employed?

MS. TAGGART:

That would be a function of the Zone Administration Board working cooperatively with the Zone Coordinator. It's something we do --

LEG. FOLEY:

Now, is there -- I don't mean to interrupt, but is there --

MS. TAGGART:

Department of Labor, Suffolk County Department of Labor.

LEG. FOLEY:

Let's put it this way. Is there a certain percentage? If the project is going to create X number of jobs, is there a requirement at a bottom level a certain percentage of those positions should be filled by those within the Zone? I mean, are they happy with just one person from the area --

MS. TAGGART:

I would have to --

LEG. FOLEY:

-- a hundred people? I mean, how is that -- how are those things followed up and followed through on?

MS. TAGGART:

Well, I know that we promote local employment by use of the Suffolk County Department of Labor and their programs.

LEG. FOLEY:

They've done that elsewhere. But what's happened, Lori, is that within a several year's time you go back and you see how many are actually employed and it's close to zero. So my concern here is particularly for some of the projects where it's close to the water, to the river and there are some environmental issues there, but also to learn -- if not from mistakes, to learn what's happening in other zones in the same region.

MS. TAGGART:

Uh-huh.

LEG. FOLEY:

And some may disagree with my characterization of it, but the fact remains that you maybe be training some people from the local area,

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but I think what needs to be required, if you will, is to have almost like an ironclad agreement that a number of the positions will, in fact, be available to and these positions would be local people who seek employment there. So is that -- so is the zone -- okay, how do we as the County government make sure that the zone is doing its business; how do we do that?

MS. TAGGART:

Well, the Legislature will be appointing members to the board that they are --

LEG. FOLEY:

That's the Legislature but, again, I'm talking about the administration of this program.

MS. TAGGART:

Uh-huh.

LEG. FOLEY:

Is it the Department of Labor or is it the Economic Development Office?

MS. TAGGART:

No, it's --

LEG. FOLEY:

Who within the framework of the administration of County Government is going to make sure that the Zone Administration is doing what it should be doing in order to employ the local people in that particular area?

MS. TAGGART:

Well, I know that -- all I can say is that the Program Director is very much involved directly in each of the zones in New York State, that's Fred {DeMaggio}. And I know that he has a very close -- keeps a close relationship with the County Executive's Office.

LEG. FOLEY:

Right.

MS. TAGGART:

I don't know if that answers --

LEG. FOLEY:

Who's the go-to person in County government on this?

MS. TAGGART:

In the County Government; I would say it would be George Gatta.

LEG. FOLEY:

Okay, but that's at the top level. Is there someone in the Department of Labor or Economic Development or someone on --

MS. TAGGART:

Well, the Chair remains the appointment of this County Executive.

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LEG. FOLEY:

Okay.

MS. TAGGART:

So whoever that is would be the Chair of the Zone --

LEG. FOLEY:

Okay.

MS. TAGGART:

-- Administration Board; currently it's me.

LEG. FOLEY:

My own only point is for someone to not only -- it's not only for the zone to do its business but to make sure that the right department here in the County government makes sure that the zone is doing what it's supposed to do. So --

MS. TAGGART:

We work very closely with the --

LEG. FOLEY:

In fact, what I would call maybe some redundancy to the whole procedure to ensure that, in fact, one of the major reasons for giving this kind of break is to hire local folks. So, you know, I will take a closer look at these two resolutions but what would be helpful to me, if not an answer to today but in the near future, is to hear from you or from the Executive Branch as to whom would be given the responsibility to oversee, if you will, what the Zone Administration is doing, vis-a-vis making sure that local people are in fact hired.

MS. TAGGART:

I know that, as I had mentioned before, there is a quarterly reporting to New York State in terms of every job that's created within the zone, what types of jobs they are, the salaries, so there's that also.

LEG. FOLEY:

Does that report go to the County as well?

MS. TAGGART:

As the County appointment to the Zone Board, I have that and I share that with George Gatta who I work directly with.

LEG. FOLEY:

Okay. Now, that's a report on the number of jobs created.

MS. TAGGART:

Right, the business is certified, the number of jobs, the types of jobs, the salaries, you know.

LEG. FOLEY:

Then the follow-up question, of course, is those are the jobs created.

MS. TAGGART:

Uh-huh. But I was just --

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LEG. FOLEY:

But who is filling those jobs?

MS. TAGGART:

Well, I was going to say --

LEG. FOLEY:

Is that also part of the report?

MS. TAGGART:

-- our particular zone was created because of a closed defense facility, so we don't have a lot of the same requirements that other zones do in terms of census track information. They may have those requirements and I will definitely look into that and it's something that we look to follow ourselves, just because we're not --

LEG. FOLEY:

Right, even if it's not expressly --

MS. TAGGART:

Right, required by the State.

LEG. FOLEY:

-- required, I think to add on to it is that particular -- well, for the whole zone and particularly Riverside area.

MS. TAGGART:

Right, what the guidelines are.

LEG. FOLEY:

Not only what jobs are being created, but who is filling those jobs, okay?

MS. TAGGART:

Right.

LEG. FOLEY:

At least by zip code, if not by street.

MS. TAGGART:

Uh-huh.

LEG. FOLEY:

Thank you.

MS. TAGGART:

Very good.

LEG. FOLEY:

Thanks very much, Lori.

CHAIRMAN COOPER:

Thank you, Lori. I would like to now invite up Richard Kruse.
Good morning, Richard.

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MR. KRUSE:

How are you, Jon?

CHAIRMAN COOPER:

We're going to be considering later in the agenda IR 2245 which would appoint you to -- as a member of the IDA. Your resume has been distributed to the committee members; do any of the members have any questions?

MR. KRUSE:

Jon, if I may, I have one addition or change on there. My contract was up, which was mentioned prior, the last day of this past year, 2002, my last contract was up at Envision and on January 1st started a new corporation called Cole Kruse PR. So that's the only addition, everything else is the same.

CHAIRMAN COOPER:

Richard, while the committee members are reviewing your resume, could you just briefly state why you have interest in serving on the IDA, what you do you believe that you can contribute?

MR. KRUSE:

Absolutely. My position has always been that -- and I wish it was most people's position, is to truly help Long Island and the business and technology sectors as well as education here on Long Island in both counties, not Suffolk alone, and that has been one of my goals in anything that I join or a part of or even in corporate wise. And I feel I can contribute by being a help to all of the business community out there as well as educational and all the different sectors.

You'll see on there, everyone is looking at the sheet, I'm one of the six founders of LISTNet, Long Island Software Technology Network. In LISTNet alone, in five and a half years we grew from six of us sitting at a table to almost a thousand companies right now, and at this point, even I can't believe that we got that far. It just goes to show you when there's a need to be filled and you have the people that really have a passion to fill that need it can be done. And all those companies in LISTNet alone, they need help. My new company now, that's going to be a big target of mine, helping those companies. And as you well know, whereas all businesses are, it's not such great times right now, the technology sector has been really devastated, probably the most of all, I guess, after travel.

So we need help here on Long Island. And I think with all of my contacts, everything that I'm involved in -- and I really like to see us not lose any more jobs off of Long Island. Not only that, I think we can -- I think we really have to give a true shot to get jobs to Long Island, I don't think we have done that effectively at all, pretty much in the past. And I think we need to go outside of Long Island, off Long Island to other sectors and not just do a trade show booth somewhere and put up a, you know, "Rah, Ray, Long Island" sign, but I think we need to, you know, maybe encompass John {Commanicki's} help and Ray Jansen's help. And you know, just as everyone one gets Newsday and Long Island Business News here -- and they have lists every so often, the Top 100 Companies, the Top Fastest Growing Companies, I think we need to go to those companies direct off of Long

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Island instead of just going to trade shows and really trying to sell Long Island in getting them here and we need more jobs, we need more industry, we need more manufacturing.

And the other half of that is we need to help the companies that are here now keep the jobs, that's extremely important, and I think I could be a big help with that.

CHAIRMAN COOPER:

Thank you, Richard. We have a couple of questions. Legislator Foley first.

LEG. FOLEY:

Thank you, Mr. Chairman. Mr. Kruse, it's music to my ears to hear you say how you want to go to other regions and other states, that's something that the last time I was on this committee about five years ago, that was one of the main points that I and other members had made at that time. You know, if North Carolina or if South Carolina or Georgia, they're coming on to the Island literally to try to take businesses away from us, what are we doing not only to keep businesses here but also to go to other regions, particularly along the eastern seaboard, to see if we can bring companies. And the answer at that time was a very unsatisfactory answer, it was more of, as you said, going to trade shows and the like. It was not as an aggressive strategy and approach to try to win businesses to come on to the Island, so I'm happy to hear that, number one.

Number two, seeing that -- are you still on the Briarcliffe College Board?

MR. KRUSE:
Absolutely.

LEG. FOLEY:
Okay.

MR. KRUSE:
Actually we just voted in a new President recently.

LEG. FOLEY:
Very good. One of the concerns, as you well know, Briarcliff is one of the major entities in downtown Patchogue, the heart of my Legislative District.

MR. KRUSE:
Yes.

LEG. FOLEY:
And one of the things that some of us over a period of time have thought about the IDA is also to try to use its programs, if you will, as part and parcel of the County effort to revitalize downtown areas. So not just to use IDA for an industrial park setting or to knock down woods or forests somewhere in the County but, in fact, use the programs available through IDA as another means to revitalize our downtowns. So it's something I -- since you have a background of interest in downtowns as well as in educational pursuits, not to

mention your business pursuits, that's something that I think we can sit down in the future and talk about as well as how the IDA can help Economic Development Office and this Legislature meet one of our

signature goals in recent years, is to try to revitalize downtowns throughout Suffolk County. Okay?

MR. KRUSE:
Absolutely.

LEG. FOLEY:
Thank you.

CHAIRMAN COOPER:
Legislator Carpenter.

LEG. CARPENTER:
Thank you. Richard, if you could just repeat the name of your new company; you said it's not on here, correct?

MR. KRUSE:
Cole Kruse Public Relations, C-O-L-E, K-R-U-S-E Public Relations. I merged with Cole Communications, it's a marketing, advertising and communications company.

LEG. CARPENTER:
And where are you located?

MR. KRUSE:
Right now Massapequa and we're already looking for larger quarters.

LEG. CARPENTER:
Are you looking to locate in Suffolk, hopefully?

MR. KRUSE:
We're looking on 110 Corridor right now. And after seeing the Newsday article Monday about making that a high tech corridor, I was very pleased with that.

LEG. CARPENTER:
I don't see listed in your -- are you involved at all in the LIA?

MR. KRUSE:
Yes, we're members. I have been involved in LIA for many, many years as a member, in fact, I think probably going back 20 years I was on the original Sports Commission and the Long Island Business Council, LIA Business Council there. I have been less involved in the past few years and more of my time with LISTNet.

LEG. CARPENTER:
And you are not involved in Envision any longer?

MR. KRUSE:
No, my contract was up the last day of '02, yes. Actually, now they're

a client and we're strategic partners. Ty Laroy, the CEO there, and I were two of the six founders of LISTNet.

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LEG. CARPENTER:

And one practical question; I'm sure that you've addressed this but I need to hear it. You have checked to find out when the IDA meets and are able to make yourself available for committee meetings and be a really participatory member of the IDA?

MR. KRUSE:

Absolutely.

LEG. CARPENTER:

Okay. Thank you.

CHAIRMAN COOPER:

Thank you very much, Richard.

MR. KRUSE:

Thank you.

CHAIRMAN COOPER:

Before we move to the agenda, I would like to invite up Judith McEvoy. Judy, perhaps you'd like to offer some additional comments on the issue of Cultural Arts funding.

COMMISSIONER McEVOY:

Yes. The main comment I'd like to make is that Cultural Arts funding is fine and safe. However, let me give you a scenario of the work that I'm doing with the Cultural Arts.

First of all, I would like to say that Mr. Cooke's termination has nothing to do with Cultural Arts. And I respectfully request at the end of my comments, we have a County Attorney here, that you -- that we listen to the County Attorney.

When Mr. Cooke was terminated on the 15th, there were e-mails and letters, considerably fewer than hundreds, I have them all. I took my prerogative, which I am a hands-on manager and have been, and I responded to each and every one of them immediately; their concern was the funding. I can tell you right now that we have \$411,500 and that is based on the money put into the budget by this Legislature and the projected hotel/month tax. All applications are in, we have received about 96 applications, the deadline was January 31st, those applications are being processed.

I did write to the Advisory Board; if I'm not supposed to be the Chair, we can change that. But let me just tell you in terms of

hiring for that position. It is a Civil Service position, I have been in touch with the Civil Service Department. I have with me for you, if you want a copy, a job description, I have the SCIN form, Civil Service has signed off on that. There is no one on the list which means that we can go forward. I will show you that these are the resumes that I have received already by word of mouth and I do have a copy of the appointing authority presented to me by Robert Cimino, the County Attorney, and I can give you a copy of this. It states very clearly, let me just -- I don't want to read the whole thing but it said that, "The Department of Economic makes the appointment subject to the Civil Service Law. The position is an Open Competitive Title,

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could not be selected by the Citizens Advisory Board or by Legislative Committee pursuant to Civil Service Law. Civil Service Law requires hiring one of the top three available scorers on the exam offered by the Civil Service Department," and it has codes and letters and I will supply that letter to you. At the moment there is no one on that list; and we are working with Civil Service to place an ad in the newspaper. And I am making every effort, including addressing the Cultural Arts groups to under score the fact that they had misinformation about the fact that there will be no Cultural Arts funding.

As far as Mr. Cooke's dismissal, please, I refer you to the County Attorney. Do you want to speak with her now?

CHAIRMAN COOPER:
Please.

COMMISSIONER McEVOY:
Stephanie? This is Stephanie Gatteri from the County Attorney's Office.

CHAIRMAN COOPER:
I would like to make a motion that we go into executive session.

LEG. FOLEY:
For the purposes of --

CHAIRMAN COOPER:
For the purposes of getting the County Attorney's view on the legality of the termination of Christopher Cooke.

LEG. BINDER:
(Inaudible).

CHAIRMAN COOPER:
And also discussing the entire matter of Chris Cooke's termination as

it is a personal matter.

LEG. BINDER:

And approving the presence of Legislative staff, the committee, Judith McEvoy, Legislative Attorney and County Attorney.

CHAIRMAN COOPER:

Right, approving the presence of committee members, Judith McEvoy, County Attorney, Legislative Counsel and Carolyn Fahey. Can you try to get Paul, please?

LEG. BINDER:

Second the motion to go into executive session.

CHAIRMAN COOPER:

We have a motion and a second. All those in favor? Opposed?
We're now in executive session.

(*Executive Session: 12:53 P.M. - 1:13 P.M.*)

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CHAIRMAN COOPER:

Okay, I would like to move to the agenda, starting off with tabled resolutions.

TABLED RESOLUTIONS

IR 2245-02 (P) - Appointing Richard W. Kruse as a member of the Suffolk County Industrial Development Agency (IDA) (Tonna).

LEG. BINDER:

Motion.

LEG. CARPENTER:

Second.

CHAIRMAN COOPER:

All those in favor? Opposed?

LEG. NOWICK:

Abstain.

CHAIRMAN COOPER:

One abstention. IR 2245 is approved. Richard, congratulations.
Approved (VOTE: 4-0-1-0 Abstention: Legislator Nowick).

IR 2256-02 (P) - Requiring Long Island Convention and Visitor's Bureau (LICVB) to advertise Suffolk County Commuter Tax Advantage for Workers (Binder). Legislator Binder.

LEG. FOLEY:

Explanation.

LEG. BINDER:

Let me make -- I'll make the motion. I'd like to make a motion to approve and I'll explain.

Especially with how it's heated up, the question of the commuter tax, what this does is very simple. It says that the Long Island Convention and Visitor's -- Long Island Convention & Visitor's Board, the LICVB, in the event they pass a commuter's tax, can put together a program to target businesses in New York City that are heavily laden with Long Island workers. There's money in here; I'm not so concerned about it because it's got to come back to us, but if you don't put money in, it's about \$100,000 for a possible program, but that doesn't mean we're going to spend it. They have to come back to the Legislature, we still have to make the decision before any money is spent and before any program is done by the Convention and Visitor's Bureau. But the idea is this, to send New York City a message and Mayor Bloomberg a message that if he wants to pass a commuter tax, and he does, that Suffolk County is going to target business in New York City that have our workers and try to bring them to here so they can take the burden off those workers and we can get the tax advantage of having these businesses here in Suffolk County.

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And so I think it has teeth but while the money is in there, it doesn't spend a dime because it has to come back here. We need a new resolution, we'd have to -- and we'd have to approve the program.

LEG. CARPENTER:

I have a question.

CHAIRMAN COOPER:

Legislator Carpenter.

LEG. CARPENTER:

I absolutely support this concept, I think it's a great idea. My only question is why LICVB who basically their mission is to market Long Island as a tourism destination, this is a departure from what they do. We could just as easily have the Office of Economic Development who in the past have engaged, you know, marketing companies to come in to do a program for marketing, you know, to businesses outside Suffolk County or whatever their mission has been. I know over the years I've seen, there have been RFP's for firms to come in to do a specific marketing program, whether it be on our Public Transportation System or marketing, you know, businesses here in Suffolk County. And I think we probably would get more bang from the buck with having that

and have a little bit tighter control than going out. And it's no dispersion to LICVB, I think they do an incredible job, but tourism is their stick.

LEG. BINDER:

I would make that change, I have no problem making that change.

LEG. CARPENTER:

Thank you. I would cosponsor it.

LEG. BINDER:

Okay. What I'd like to do then, what I'd like to do is change my motion to a discharge motion. I will make that change. It still wouldn't be in on time, I will ask for a Certificate of Necessity. And the reason I'm trying to move it now is because now is when the decision -- they're looking at the decision in Albany as to whether to do a commuter tax and I want to send even Albany a message that we're going to start cherry-picking in New York City for these businesses. But I will make that change.

LEG. CARPENTER:

All right, great. Thank you.

LEG. BINDER:

So that's a discharge motion.

LEG. CARPENTER:

Second.

CHAIRMAN COOPER:

We have a motion to discharge and a second.

LEG. CARPENTER:

With the understanding that he's making that change.

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LEG. BINDER:

With the change.

CHAIRMAN COOPER:

All those in favor? Opposed? IR 2256 is discharged without recommendation (VOTE: 5-0-0-0).

Moving on to Procedural Motion No. 9-02 - Authorizing litigation against LIPA to recover County project utility costs (Towle). I make a motion to table.

LEG. CARPENTER:

Second.

LEG. FOLEY:
Second.

CHAIRMAN COOPER:
All those in favor? Opposed? Procedural Motion No. 9 is tabled
(VOTE: 5-0-0-0).

INTRODUCTORY RESOLUTIONS

Starting with IR 1030-03 (P) - A Local Law to require verbatim minutes
for Suffolk County Industrial Development Agency (IDA) (Towle).

LEG. FOLEY:
Motion to approve.

CHAIRMAN COOPER:
I'll second that motion.

LEG. FOLEY:
Just on the motion. Would the IDA hire the stenographer? It wouldn't
be our own stenographers, would it? Because they're stretched pretty
thin as it is. Do we know --

MS. MAHONEY:
Thank you.

LEG. FOLEY:
You're welcome.

MR. SABATINO:
They would be responsible for preparing it, but there's also a public
hearing so it's going to have to be tabled.

LEG. FOLEY:
Okay. Okay, there's a public hearing, but they would be responsible
to hire the stenographer, correct?

MR. SABATINO:
Correct, they would be responsible.

LEG. FOLEY:
Fine, okay.

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CHAIRMAN COOPER:
We have a motion to table. Is there a second?

LEG. CARPENTER:

Second, we have to.

CHAIRMAN COOPER:

All those in favor? Opposed? IR 1030 is tabled for a public hearing (VOTE: 5-0-0-0).

1048-03 (P) - To establish County office space for Downtown Revitalization (Presiding Officer Postal). I'll make a motion to approve.

LEG. FOLEY:

Second.

LEG. CARPENTER:

On the motion. I guess since the sponsor is not here I would ask Counsel, I see that there are some penalties for failure to comply with the provision of the RESOLVED clause and I have some questions about what kind of offices are we talking about. Because I know that in the past there have been initiatives to remove some types of County functions and offices from the downtown areas and here, if we're coming up with a resolution that says put them in the downtown areas, if they're not what communities perceive to be acceptable uses, you know, how does that fifth RESOLVED clause kick in then?

MR. SABATINO:

Well, to answer the questions in reverse order, the legislation deals with any buildings that the County would be leasing or building on a prospective basis in the future, so it would be something would be arising after legislation was adopted. And the restriction would be that they would have to be placed in downtown areas and it would either be to renovate an existing facility or to demolish an existing facility and replace that.

The penalty provision is to prevent County officials from going into non-downtown areas or going into basically open up virgin land to do the buildings or the leases. So it is what it says it is.

LEG. FOLEY:

I think the intent is excellent but I think one of the -- Legislator Carpenter? I think one of the issues here is whether it would be services related programs or whether it would be administrative offices that would move to downtown and there have been issues --

LEG. CARPENTER:

It doesn't say that.

LEG. FOLEY:

Right. There have been issues about the saturation of particular services in different downtowns and I think that's a legitimate concern. I think the intent and the overall bill is an excellent bill,

but you make a good point and that needs to be I think clarified.

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LEG. NOWICK:
Right.

LEG. FOLEY:
So Legislator Carpenter, knowing your concerns with downtowns, as with this Legislator --

CHAIRMAN COOPER:
I would like to just take out a minute to see if we could reach the sponsor.

LEG. FOLEY:
Yeah.

LEG. BINDER:
Why don't we move to the next bill.

LEG. FOLEY:
To use a term Allan is familiar with, why don't we pass over this resolution and go to the next one.

CHAIRMAN COOPER:
That sounds good. IR 1081-03 (P) - A Local Law authorizing the designation of an Empire Zone (County Executive).

LEG. CARPENTER:
Motion to table pending the public hearing.

LEG. BINDER:
Second.

CHAIRMAN COOPER:
All those in favor? Opposed? IR 1081 is tabled (VOTE: 5-0-0-0).

LEG. BINDER:
We jumped over.

LEG. FOLEY:
1082, motion to table pending a public hearing.

LEG. BINDER:
Second.

CHAIRMAN COOPER:
Second the motion. 1082-03 (P) - A Local Law amending the designation of an Empire Zone (County Executive), all those in favor? Opposed?

1082 is tabled for a public hearing (VOTE: 5-0-0-0).

LEG. FOLEY:

Motion to approve 1088.

LEG. CARPENTER:

Second.

CHAIRMAN COOPER:

I didn't even read it yet, 1088-03 (P) - Extending the deadline for

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expiration of Comprehensive Downtown Revitalization Plan Citizens Advisory Panel (Cooper). We have a motion and a second. IR 1088 is approved. (VOTE: 5-0-0-0).

SENSE RESOLUTIONS

Sense Resolutions, now we get to the important stuff.

Sense 3-2003 (P) - Memorializing Resolution requesting Long Island Power Authority (LIPA) to discontinue split billing practice (Cooper).

LEG. CARPENTER:

KeySpan.

CHAIRMAN COOPER:

LIPA made a decision a couple of months ago to separate their electricity bills from KeySpan's gas bills. Richard Kessel was quoted in Newsday as saying that the up-front cost to do this would be approximately \$1.4 million. And over and above that, there will be an additional cost to ratepayers of \$5 million a year, some believe that it's significantly more than that, to continue the split billing practice. This is money --

LEG. BINDER:

Electricity and oil.

CHAIRMAN COOPER:

This is for LIPA customers that get both electricity and gas.

LEG. BINDER:

You mean oil and gas.

CHAIRMAN COOPER:

No, electricity and gas.

LEG. BINDER:

Right, but what I'm saying is even the oil customers who have nothing

to do with it are going to get charged because they have electricity this 1.4 million plus, and that's outrageous actually.

LEG. FOLEY:

Mr. Chairman? Mr. Chairman, what -- what was the reasons given by LIPA for splitting the bill?

CHAIRMAN COOPER:

Mr. Kessel said that he thought that it was justified because it would allow their customers to better understand what portion of their energy usage was related to electricity, usage as opposed to gas usage, and they might be better able to conserve energy.

LEG. BINDER:

Right.

CHAIRMAN COOPER:

The position of those opposed to the split billing is that since it's already broken down separately on the bill, anyone who has interest

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would have no difficulty in ascertaining what the differences are.

LEG. BINDER:

I would second your motion.

CHAIRMAN COOPER:

We have a motion and a second. All those in favor? Opposed? Sense 3-03 is approved (VOTE: 5-0-0-0).

LEG. BINDER:

Cosponsor, please.

CHAIRMAN COOPER:

Moving on to Sense 5-2003 (P) - Memorializing Resolution -- and I would like to make a request, how this is done, to change one word in the title of the resolution from masquerading to -- even though it is a good word -- to, let's see --

LEG. FOLEY:

Barbara is proud of that.

CHAIRMAN COOPER:

Described as a temporary fuel surcharge. So Sense 5-2003 (P) - Memorializing Resolution requesting Long Island Power Authority (LIPA) to eliminate 50% rate increase described -- no, portrayed, portrayed.

LEG. BINDER:

Portrayed.

CHAIRMAN COOPER:

Portrayed as a temporary fuel surcharge (Cooper). Is there -- I make a motion to approve.

LEG. NOWICK:

Second.

CHAIRMAN COOPER:

All those in favor? Opposed?

LEG. NOWICK:

Cosponsor.

CHAIRMAN COOPER:

And we have a cosponsor.

LEG. BINDER:

Me, too, I will cosponsor.

CHAIRMAN COOPER:

Two cosponsors. Vin, are you getting all this down? Did you hear that, Vin? We have unanimous vehement approval for this Sense Resolution with three, going on four cosponsors.

LEG. FOLEY:

Cosponsor.

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LEG. BINDER:

Okay, 1048, we don't have Linda Burkhardt --

MS. BURKHARDT:

I'm right here.

LEG. BINDER:

Oh, sorry.

CHAIRMAN COOPER:

We had a couple of questions I believe. Legislator Foley?

MS. BURKHARDT:

Mr. Chairman, I just might remind you that I just put you on as a cosponsor also on this bill.

CHAIRMAN COOPER:

Who?

MS. BURKHARDT:

You.

CHAIRMAN COOPER:

I am supporting this.

MS. BURKHARDT:

Okay. Maybe Mr. Sabatino could explain the bill in more detail than I could?

LEG. BINDER:

He already did.

MS. BURKHARDT:

He did.

MR. SABATINO:

I already did, I'm not sure what they want to ask the sponsor. I think they want to ask the sponsor if she's willing to make changes, that's what I think is the question. But I explained the bill, it's just a question of -- well, I don't want the speak for the Legislators.

LEG. CARPENTER:

No. We had some concerns about the kinds of offices and since there are penalties and sanctions if County offices are not located in the downtowns. There have been instances in the past years when communities have aggressively lobbied to have certain kinds of County facilities not located in the downtowns and this does not specify what kinds of uses.

MS. BURKHARDT:

I do believe that Presiding Officer Postal would be open to some discussion on the bill. So if you table the bill and we could discontinue this discussion and see if we could resolve some of it?

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CHAIRMAN COOPER:

Thank you. I'll make a motion to table.

LEG. FOLEY:

Second.

CHAIRMAN COOPER:

All those in favor? Opposed? IR 1048 is tabled (VOTE: 5-0-0-0).

LEG. FOLEY:

Thank you.

CHAIRMAN COOPER:

That's all she wrote. Thank you very much.

(*The meeting was adjourned at 1:27 P.M.*)

**Legislator Jon Cooper, Chairman
Economic Development & Energy Committee**